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United States  
Agency for International Development



**BELIZE**

**Action Plan**

1996-1997

February 1995

## USAID/BELIZE CLOSE-OUT ACTION PLAN

### USAID/Belize Strategic Objectives

The USAID/Belize program remains focused on two strategic objectives (SOs) for the 1991-1996 period. The first SO is

Use of terrestrial natural resources improved.

Over 85 percent of the Mission's FY 1995 DA resources will be dedicated to this objective. The second strategic objective is

Government's fiscal resources improved.

Activities under this strategic objective are almost complete and no additional funds will be obligated towards this objective.

In addition to the two strategic objectives, the Mission's program strategy includes three special targets: completion of rural bridge construction, support for local action against drug abuse, and training in the U.S. for leaders from disadvantaged groups.

#### **A. Overview**

The Belizean economy continued on its downward trend during 1994 with real GDP growth at 1.5% -- the worst in ten years. This downturn, evident by the large increases in central government deficits and rising levels of external debt, has prompted the Government of Belize (GOB) to implement a series of austerity measures, such as reneging on previously negotiated (by the previous administration) salary increases for its employees, cutting expenditures on local projects, and reviewing closely donor funded projects that require significant counterpart funding. Despite this trend, USAID made significant strides towards achieving its strategic objectives, partly because of GOB's agreement to fulfill commitments to our jointly funded program. We do not anticipate any major problems in implementing the program of assistance and the operational close-out plan approved in last year's Action Plan.

Mission plans to have all project implementation completed by June 1996. Contracts are being closed out as final payments are made and final project close-out will be made after June 1996.

## **B. Progress in Achieving Agency Goals**

### **1. Program Performance**

#### **SO 1: Use of Terrestrial Natural Resources Improved**

Since the arrival of staff from the World Wildlife Fund (WWF) and sub-contractor Winrock International, and the establishment of Element Coordinating Committees under the Natural Resource Management and Protection Project (NARMAP), significant progress towards achieving SO 1 has been made under all three technical elements of this project.

Technical assistance procured under the Environmental Planning and Monitoring element of this project resulted in recommendations on water effluent quality and Environmental Impact Assessments (EIA), which are now being incorporated by the Department of the Environment (DOE) into new legislation. Also under this element, consultancies for an Environmental Public Awareness Program and for the establishment of the Conservation and Environmental Data System (CEDS) were completed. Both of these activities are expected to be completed within the next CY year.

Under the Sustainable Agriculture Production (SAP) element of NARMAP, the Ministry of Agriculture (MOA) entered into an agreement with Centro Agronomico Tropical de Investigacion Ensenanza (CATIE) to establish regional cooperation activities. As a result, a negotiated buy-in agreement for CATIE to provide technical assistance and training in root crop multiplication, Integrated Pest Management (IPM) and agro-forestry is now being finalized by the Mission.

Under the Forestry Development element, the construction of guard stations and the establishment of boundary demarcation of national parks, wildlife sanctuaries and forest reserves was initiated. In addition, the Conservation Development Fund (CDF) began reviewing and approving grant applications. World Wildlife Fund, under a cooperative agreement with USAID, is responsible for the administration of the CDF. Four institutional grants were provided to Belizean LNGOs for environmental activities.

The NARMAP Project also provided long- and short-term training opportunities (U.S., third country and in-country) for Belizeans. The project has sent 16 Belizeans for degree training in the U.S. and trained 37 forest guards. This period also saw increased in-country short-term training. Training courses on environmental conflict resolution, project preparation, management principles and mangrove management were conducted for GOB officials and LNGO personnel. Finally a two-month technical assistance and training program in ORACLE software database management was conducted for the staff of the Land Information Center (LIC).

Under the Tourism Management Project (TMP), the partnership between the private and public sectors continued to improve with joint

consultation efforts on country-wide tourism issues. For example, several tourism/tour operator gatherings resulted in recommendations and guidelines for a community-based tourism policy, tour operators policy and legislation, and eventually the passing of tour guide legislation. A cruise-ship policy and compliance plan was developed and work on a dive boat policy is now being discussed. A Public Awareness Campaign to sensitize Belizeans to the economic benefits of tourism was implemented. Finally, a Policy and Planning Unit was established in the Ministry of Tourism and the Environment (MTE) and an interim head of the office was hired pending the return of the permanent official who is on a USAID funded participant training program.

Significant progress was made towards achieving all the program outputs under SO 1. Of the 16 indicators used to measure progress under the 5 program outputs, 7 partially met or exceeded their 1994 targets, the assessment of another 6 was postponed to allow for greater efforts in program implementation, 2 did not require 1994 assessments and the target for one was realistically moved back to 1996.

The two indicators used to assess the Belizean communities' commitment to environment and natural resource management have already met their 1996 targets. Three of the four indicators used to assess GOB's capacity to plan and implement policy met or exceeded their 1994 targets. Delays in obtaining the final report of the National Protected Areas Management Plan has delayed measurement of the fourth indicator. Both indicators used to rate the LNGOs' capacity to influence policy were postponed because of the unavailability of accurate data, however, in 1995 a reliable assessment will be conducted using the 5 most significant environmental LNGOs, instead of the 12 originally planned for review.

Studies to measure deforestation, the perceived threat to critical habitats, income from sedentary farmers and value per tourist at selected sites under manageable condition will be conducted during 1995 or early 1996. Lastly, the milestone used to measure the establishment and use of a national, transparent land use system under an amended Lands Act to reduce political control of land tenure decisions, was delayed until 1996.

The indicators used to measure the Belize Tourism Industry Association (BTIA) capacity to influence Natural Resource/Tourism policy has shown mixed performance. While its membership is not growing as rapidly as planned, BTIA has managed to increase its revenue in excess of half its operating expenses for 1994 in a major step towards sustainability.

#### **SO 2: Government's Fiscal Resources Improved**

As part of the close-out process, USAID will drop this strategic objective at the end of FY 1994, except procuring office equipment and conducting in-country training for high ranking Government of

Belize (GOB) officials later this year. This decision will allow USAID to focus its efforts on completing the remaining activities under SO1. The World Bank and UNDP will assume many of the requirements that remain for Belize to improve its resource mobilization efforts under this objective. Activities to be financed under this SO will be limited to the remainder of funds available under Development Training Scholarship (DTS) Project.

The target for the 1993/94 SO level indicator, reduced reliance on taxes on foreign trade, was 56.2% (target was 57%). Additionally, the Government of Belize recently legislated a Value Added Tax (VAT) system, which will commence operations on April 1, 1996 and which will replace the existing taxes on imports. The program output level was also exceeded by providing in-country training to 80 (target 50) fiscal management staff of the Ministry of Finance (MOF) resulting in improved fiscal reporting.

Progress towards achieving SO 2 was also realized using PD&S funds. The PD&S funded Fiscal Capacity Improvement Limited Scope Grant Agreement provided technical assistance to determine the first quantitative assessment of poverty in Belize. Eight GOB officials also benefitted from U.S. based training, seven from third country training and eighty-three from in-country training. Five computer were also procured to assist in computer-related training at the MOF.

#### **Other Activities**

Under the Civic Action against Drug Abuse project (CADA), USAID made significant progress to improve the relationship between the NGO and the GOB. Pride Belize and the National Drug Abuse Council (NDACC) have articulated a national drug prevention strategy which includes counseling, public education, alternative institutional based activities, empowerment, rehabilitation, research and inter-agency cooperation. Both organizations have reached agreement on program contents and co-existence as formal partners in drug prevention.

The Rural Bridges Project continues to make steady progress and we expect to complete a total of 16 bridges by 1996. Training of Mission managed participants in the U.S. under CAPS II continued with twelve long-term participants having successfully completed their training programs. The total number of Belizeans trained since our assistance program began in 1983 is 1,362.

#### **Central and Regional Projects**

All centrally funded projects in Belize will be completed by June 1996. The recently proposed regional projects for the Environment (PROARCA), Trade and Investment, AIDS and Democracy will not require Mission management but will hopefully include Belize once the Mission is closed.

4

### C. Progress in Administrative Procedure

#### Personnel

Mission continues to review all USDH, FSNPSC and TCNPSC positions as we approach close-out. This has become increasingly important because of recent unplanned staff departures.

One USDH position (Executive Officer) was eliminated in July 1994, two years ahead of plan. Next month, three FSNPSCs and one TCNPSC will also depart ahead of schedule. The three FSNs were scheduled to leave by the end of FY96 and the TCN at the end of the third quarter of 1995.

Three of the four departures are from the Controller Office, and the USDH Controller retired July 1994. At that time, the certification function was transferred to USAID/Honduras, the accounting station for USAID/Belize. While these early departures present a formidable task for the Mission, arrangements are being made to accelerate the transfer of additional controller functions to USAID/Honduras. The controller from USAID/Honduras has been in Belize to assess the situation and has made the necessary changes and recommendations to ensure proper support for close-out. It is planned that USAID/Honduras will pick up any residual controller functions after close-out.

While the Mission has managed to resolve the Controller Office situation, it recognizes that further unplanned staff reductions could seriously jeopardize orderly close-out. The major concern is the opportunity cost for FSNs to remain with the Mission until September 1996. FSNs view the approved severance plan, as set out in the Mission FSN Handbook, as inadequate and inconsistent with prevailing practices and therefore not sufficiently attractive to prevent them from seeking more secure long-term employment opportunities as experienced in the last two months. Other donor agencies, namely the World Bank, the United Nations affiliates and the Inter-American Bank, are expanding operations in Belize and because of the high calibre of our FSN employees the prospects for employment are very good.

USAID/Belize has been working with the FSNs on these and other related issues and some progress has been made. In April 1995, a full salary survey will be conducted which will include a review of severance. In addition, the Mission may need to develop a program for no fault separation for Belize. USAID/Belize managed to achieve some progress in resolving issues surrounding Mission's compulsory retirement plan with the insurance contractor (ALICO). This scheme forced FSNs to contribute to a plan, where the accrued benefits to them would have been negligible, because of the decision to close the Mission. FSNs were given the opportunity and elected to withdraw from the plan. We request that these and other concerns be discussed and resolved during the review in Washington.

### Property

Despite the early departure of the Executive Officer, plans for the orderly disposal/sale of NXP are proceeding as planned.

### Evaluation of Program Accomplishments

Two external evaluations will be conducted during the course of the NARMAP Project--the first in March 1995, and the final in 1996. The TMP does not include provision for a mid-term external evaluation, but USAID plans an SO1 level mid-term evaluation to take place in 1994. Because this effort is modest and will be completed in FY 1994, the SO2 performance will not be evaluated.

We plan to assess the overall impact of our assistance program to Belize. The assessment will be based on many project evaluations and an agricultural sector assessment that describes the successes and failures of our ten years of assistance. The planned assessment may require outside assistance and include a review of our economic stabilization, agriculture diversification, rehabilitation of rural roads, export and investment promotion, assistance to NGOs, micro-enterprise development, vector control, water and sanitation, management and financial training, vocational training, drug education and awareness and, most importantly, long-term participant training. We also want this assessment to include the views of our past and present counterparts, NGOs and other donors. If possible, we would like to have the review done by a Belizean contractor to give us their view of what we believe has been a very successful program. The assessment is planned for late 1995 or early 1996.

### **D. Program Resource Requirement**

Table 4 is a summary of USAID/Belize's program funding approvals and request by strategic objectives and projects for FY 94-96.

### **E. Mission and USAID/W Initiated Issues**

None.

We still do not anticipate the need for any USAID/W assistance during the close-out. Assistance will continue to be provided by USAID/Honduras for financial matters and USAID/G-CAP, Guatemala, for legal and contract support.

SO-2 TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

BELIZE

Bureau Objective: Support the achievement of broadly-based sustainable economic growth

Bureau Sub-objective: Encourage the adoption of & continued adherence to economic policies that promote investment, productive employment & outward-oriented diversification

STRATEGIC OBJECTIVE NO. 2 Government's fiscal resources improved

PROGRAM OUTPUT 2.1

GOB capacity to plan and implement policy increased

Projects (Number\Title)

505-0041 DTS

505-0000 PD&S



SO-1 TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

BELIZE

Bureau Objective: Support the achievement of broadly-based sustainable economic growth

Bureau Sub-objective: Encourage preservation & sustainable use of the natural resource base

STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resource improved

PROGRAM OUTPUT 1.1

Alternative cropping systems adopted in targetted areas

Projects (Number\Title)

505-0043 NARMAP

596-0150 RENARM

PROGRAM OUTPUT 1.2

Community commitment to ENR management increased

Projects (Number\Title)

505-0043 NARMAP

505-0044 TMP

596-0150 RENARM

598-0782 Parks in Peril

936-5600 Ethnobotany

PROGRAM OUTPUT 1.3

Capacity of MTE and MNR to plan and implement policy increased

Projects (Number\Title)

505-0043 NARMAP

505-0044 TMP

596-0150 RENARM

936-5063 Univ. Linkages

PROGRAM OUTPUT 1.4

Capacity of LNGOs to influence ENR policy increased

Projects (Number\Title)

505-0043 NARMAP

596-0150 RENARM

598-0782 Parks in Peril

598-0784 Env/Global

Climate Change

936-5600 Ethnobotany

PROGRAM OUTPUT 1.5

Capacity of BTIA to influence NR/Tourism policy increased

Projects (Number\Title)

505-0044 TMP

# SO-2 TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

## BELIZE

### STRATEGIC OBJECTIVE NO. 2 Government's fiscal resources improved

Indicator: Reliances on taxes on foreign trade

Unit: Percentage of total tax revenue

	Year	Planned	Actual
Source: MOF & Central Bank	1991/92	-	60.5
Comments: FY 1994 last year of project	1992/93	59.5	55.3
Implementation; 1991/92 & 1992/93 Actual	1993/94	57.0	56.2
have been revised, 1993/94 Actual is provisional.			

Target

### STRATEGIC OBJECTIVE NO. 2 Government's fiscal resources improved

#### PROGRAM OUTPUT NO. 2.1 GOB capacity to plan and implement policy increased

Indicator: Fiscal management staff trained and reporting positive results

Unit: Number

	Year	Planned	Actual
Source: DTS project - follow-up surveys	1992	-	2
Comments: Since this SO will be completed	1993	5	5
in FY 1994, no further participant	1994	50	80
training will be undertaken, and the			
new planned level of 50 represents			
in-country training level.			

Target

# SO-1 TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

## BELIZE

### STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved

Indicator: Perceived threat in 35 critical habitats sites

Unit: Index of Security weighted average

Source: NARMAP, LINGO report (BCES)

Comments: Index (1-100) is calculated by multiple degree of protection (0-5) by value of each habitat (15-21) and dividing by total if all 35 habitats were protected.

Study will be completed in the 1st quarter of 1995.

Indicator: Deforestation

Unit: Percent loss

Source: Department of Forestry & ODA

Comments: Baseline has not been finalized.

The satellite imagery for 1995 will be purchased. Imageries for 1993, 1994

& 1995 will be processed in late 1995.

Indicator: Average income from sedentary agriculture among small holders in targetted area

Unit: Bz\$

Source: NARMAP - PVO reports

Comments: Baseline completed in 1993.

Reports for 1994-95 will not be conducted.

Final report will be conducted in early 1996.

Indicator: Value per tourist at selected key sites, while total visits within manageable limits

Unit: Bz\$ per visit

Source: MTE

Comments: Baseline completed in late 1993

Survey to be conducted in late 1995. Visit to sites have gradually increased in 1994.

	Year	Planned	Actual
Baseline	1992	-	46.5
	1993	-	-
	1994	53	***
	1995		
Target	1996	60	***
	Year	Planned	Actual
Baseline	1992	-	
	1993		***
	1994		
	1995		
Target	1996		***
	Year	Planned	Actual
Baseline	1992	-	-
	1993	4,400	4,120
	1994	4,600	
	1995	4,725	
Target	1996	5,000	
	Year	Planned	Actual
Baseline	1992	-	
	1993	-	202
	1994	230	***
	1995		
Target	1996	280	***

**STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved**  
**PROGRAM OUTPUT NO. 1.1 Alternate cropping system adopted in target areas**

Indicator: Farmers with secure land tenure in targetted areas

Unit: Number of farmers	Year	Planned	Actual
Source: NARMAP Project, PVO report	Baseline 1992	—	0
Comments: Farmers owning land or under LT lease arrangements. Work to determine the extent of land tenureship has commenced; only 2 of the 3 targetted areas will be done.	1993	.	1,020
	1994	1,050	
	1995	1,100	
Target	1996	1,300	

Indicator: Farms in target area using practices developed & disseminated thru NARMAP project

Unit: Number of farms	Year	Planned	Actual
Source: NARMAP Project, PVO report	Baseline 1992	—	
Comments: Farms directly involved with NARMAP activity.	1993		50
	1994	55	135
	1995	58	
Target	1996	63	

**STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved**  
**PROGRAM OUTPUT NO. 1.2 Increased community commitment to environment and natural resource management.**

Indicator: Applications to Conservation Development Fund from local communities

Unit: Number per year	Year	Planned	Actual
Source: NARMAP Project, PVO report	Baseline 1992	—	0
Comments: The CDF was established in late 1993.	1993		5
	1994	4	13
	1995	4	
Target	1996	4	

Indicator: Special Development/Community Protected Areas established

Unit: Number (cumulative)	Year	Planned	Actual
Source: MNR reports	Baseline 1991	—	1
Comments:	1992		6
	1993	7	8
	1994	8	10
	1995	9	
Target	1996	10	

**STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved**

**PROGRAM OUTPUT NO. 1.3 Capacity of MTE & MNR to plan and implement policy increased**

**Indicator: National, transparent land-use system established and in use**

Unit: Milestone	Year	Planned	Actual
Source: NARMAP Project, MNR report	Baseline	1992	—
Comments: Milestones:		1993	M2,3,4
M1 National Lands Act passed			M1
M2 Allocation Committee functional		1994	M2,3,4
M3 Prior public notice of land distribution			
M4 Land use studies are basis for distribution		1995	
M5 Lands Act amended to limit political control (target rolled back from '94 to '96)	Target	1996	M5

**Indicator: Comprehensive system of protected areas established**

Unit: Milestone	Year	Planned	Actual
Source: NARMAP Project, MNR report	Baseline	1992	—
Comments: Milestones:			
M1 24 protected areas identified/designated		1993	M2
M2 Legal boundaries defined for protected areas		1994	M3
M3 Formal GOB declaration of management structure for protected areas.		1995	
M2, M3 pending submission of final report — National Protected Areas Management Plan	Target	1996	

**Indicator: MNR and MTE staffing plans implemented**

Unit: Number of professional/technical staff	Year	Planned	Actual
Source: MNR and MTE reports	Baseline	1992	—
Comments: Combined number of established positions filled: MTE—Depts. of Environment and Archaeology and Tourism Planning Unit; MNR—Depts. of Forestry & Land Information		1993	60
		1994	68
		1995	72
Center Includes Forest Rangers & Guards.	Target	1996	76

**Indicator: Tourism growth management system established and operating**

Unit: Milestone	Year	Planned	Actual
Source: Tourism Mgt. Project, MTE report	Baseline	1992	—
Comments: Milestones:		1993	M3
M1 Tourism Policy/strategy approved			
M2 Environmental Protection Act passed		1994	M4
M3 Pilot site-specific mgt. plan complete			M4* M5*
M4 Upgraded tourism data system operational		1995	
M5 Five site-specific mgt. plans implemented	Target	1996	M5

\*In Progress

STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved  
PROGRAM OUTPUT NO. 1.4 Capacity of LNGOs to influence ENR policy increased

Indicator: Local financial support for 12 principal LNGOs

Unit: Bz\$		Year	Planned	Actual
Source: NARMAP Project	Baseline	1992	—	
Comments: Due to the lack of accurate		1993	630,000	660,000
LNGO data, the next assessment will be		1994	720,000	
conducted in 1995 but will be limited to only		1995	750,000	
the 5 most influential environmental LNGOs.	Target	1996	790,000	

Indicator: Number of members of 12 principal LNGOs

Unit: Number		Year	Planned	Actual
Source: NARMAP Project	Baseline	1992	—	
Comments: Due to the lack of accurate		1993	2,000	1,990
LNGO data, the next assessment will be		1994	2,100	
conducted in 1995 but will be limited to only		1995	2,150	
the 5 most influential environmental LNGOs.	Target	1996	2,290	

STRATEGIC OBJECTIVE NO. 1 Use of terrestrial natural resources improved  
PROGRAM OUTPUT NO. 1.5 Capacity of BTIA to influence NR/Tourism policy increased

Indicator: Number of members of BTIA

Unit: Numbers		Year	Planned	Actual
Source: BTIA records	Baseline	1991	—	270
Comments: BTIA has become a national		1992	340	386
umbrello organization encompassing the		1993	410	344
Hotel, Tour Operators and Guide and		1994	480	378
Eco-Tourism associations.		1995	550	
	Target	1996	600	

Indicator: Local financial support for BTIA

Unit: Percentage of operating costs		Year	Planned	Actual
Source: BTIA records	Baseline	1991	—	22
Comments: A declining method of		1992	30	25
assistance in operational support has		1993	40	25
influenced BTIA's drive to achieve full		1994	52	54
sustainability by 1996.		1995	63	
	Target	1996	75	

Table 5  
Program Management Requirements - Workforce and OE  
ON BOARD PERSONNEL BY CATEGORY/FUNDING .  
USAID/BELIZE

CATEGORY FUND	FY94				QUARTER ENDING FY95				FY96			
	12/31	03/31	06/30	09/30	12/31	03/31	06/30	09/30	12/31	03/31	06/30	09/30
USDH - OE	6	5	3	2	2	2	2	2	2	2	2	2
USPSC - OE	1	1	1	1	1	1	1	1	1	1	1	1
USPSC - OE (PART-TIME)	0	0	0	1	0	0	0	0	0	0	0	0
FSNPSC - OE	19	18	18	18	16	12	12	12	12	12	12	12
FSNPSC - PROG	5	4	4	4	4	4	4	4	4	4	4	4
TCNPSC	1	1	1	1	1	0	0	0	0	0	0	0
TOTALS	32	29	27	27	24	19	19	19	19	19	19	19

Table 5  
Program Management Requirements -- Workforce and OE

FUNDING REQUIREMENTS  
(IN 000'S)

FUNDING TYPE	Actual FY94	FY95	FY96
Operating Expense	900.0	940.1	850.7
Trust Funds	0.0	0.0	56.6
Total OE	900.0	940.1	907.3
Direct Closeout Costs Included Above	4.0	33.0	11.0



**BELIZE : ACTION PLAN, 1996 - 1997**

**PD-ABK-518**

**1 OF 1 (24X)**

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